

Message Text

LIMITED OFFICIAL USE

PAGE 01 USUN N 05893 120627Z

15

ACTION IO-10

INFO OCT-01 NEA-10 ISO-00 AF-06 ARA-06 EA-07 EUR-12

CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03 NSAE-00 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 DHA-02 ORM-02 AID-05

OMB-01 TRSE-00 SAB-01 /109 W
----- 099953

R 120344Z NOV 75

FM USMISSION USUN NEWYORK

TO SECSTATE WASHDC 3920

INFO AMEMBASSY ABU DHABI

AMEMBASSY AMMAN

AMEMBASSY BEIRUT

AMEMBASSY DOHA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSS TEL AVIV

AMCONSUL JERUSALEM

LIMITED OFFICIAL USE USUN 5893

E.O. 11652: N/A

TAGS: PFOR, SREF, UNRWA, UN, XF

SUBJ: 30TH UNGA - SPECIAL POLITICAL COMMITTEE MEETING ON
UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE
REFUGEES IN THE NEAR EAST

1. SPECIAL POLITICAL COMMITTEE MET NOV 11 AND HEARD UNRWA
COMMISSIONER GENERAL RENNIE PRESENT HIS STATEMENT ON CURRENT
WORKING AND FINANCIAL CONDITIONS AND PROBLEMS FACING UNRWA.
TONE WAS GENERALLY PESSIMISTIC. RENNIE NOTED THE SERIOUS
DISRUPTION OF UNRWA OPERATIONS BECAUSE OF THE FIGHTING
IN LEBANON OVER THE PAST FEW WEEKS. HE SAID THE WEEKS-
OLD STANDSTILL IN THE PORT OF BEIRUT WAS CREATED SUPPLY
DIFFICULTIES, AND NORMAL FUNCTIONS OF THE LEBANON FIELD OFFICE
AND THE AGENCY'S HEADQUARTERS HAVE BEEN EVERELY
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 USUN N 05893 120627Z

CURTAILED. IF THE SECURITY SITUATION IN BEIRUT DOES NOT

IMPROVE IT MAY BECOME NECESSARY TO MOVE THE STAFF TEMPORARILY TO ANOTHER LOCATION.

2. RENNIE SAID UNRWA IS GOING THROUGH THE WORST FINANCIAL CRISIS OF ITS HISTORY. UNRWA'S FINANCIAL SITUATION COMPRISES THREE DISTINCT BUT RELATED PROBLEMS: (1) PRIMARY BUDGETARY INSUFFICIENCY OF INCOME TO MEET EXPENDITURES; (2) INSUFFICIENCY OF CASH AT ANY PARTICULAR TIME TO MEET DUE CASH EXPENDITURES; (3) INSUFFICIENCY OF ASSETS TO COVER LIABILITIES, INCLUDING CONTINGENT LIABILITIES SHOULD THESE BECOME DUE.

3. THE FIRST PROBLEM CAN BE SOLVED ONLY BY AN INCREASE IN INCOME, AND THIS CANNOT BE DONE BY BORROWING. THIS BUDGETARY GAP CAN BE ELIMINATED ONLY BY REDUCTION IN EXPENDITURES, THAT IS, SERVICES, WHICH ENTAILS TREMENDOUS ADMINISTRATIVE AND PRACTICAL DIFFICULTIES IN SELECTION OF ACTIVITIES TO BE REDUCED. THE SECOND PROBLEM IS MERELY A MORE DETAILED SURGICAL CUTTING AWAY OF SERVICES AND PROGRAMMES. THE THIRD PROBLEM IS COMPLICATED BY THE EXISTENCE OF CONTINGENT LIABILITIES THAT FALL DUE IF STAFF HAVE TO BE DISCHARGED BECAUSE OF REDUCTIONS IN SERVICES.

4. RENNIE CONTINUED THAT THE FINANCIAL SITUATION REMAINS EXTREMELY SERIOUS. RECENT ADDITIONAL CONTRIBUTIONS, INCLUDING AN ADDITIONAL \$380,000 FROM THE NETHERLANDS, HAVE SUCCEEDED IN REDUCING THE DEFICIT TO ABOUT \$7.2 MILLION. HE URGED FURTHER CONTRIBUTIONS, AND SOON. THE FINANCIAL PROSPECTS FOR 1976 ARE ALARMING. THE ESTIMATED DEFICIT FOR 1976 IS \$55 MILLION, THAT IS, \$9 MILLION MORE THAN THE ESTIMATED DEFICIT AT THE BEGINNING OF 1975. EVEN IF THE CRISIS FOR 1975 FUNDING IS RESOLVED SATISFACTORILY, THERE IS A STRONG LIKELIHOOD THAT UNRWA SERVICES DURING 1976 MUST BE CURTAILED.

5. RENNIE CONCLUDED THAT ONLY REMEDY FOR UNRWA IS TO PROVIDE GREATER FINANCIAL STABILITY. IN THE ABSENCE OF MANDATORY FINANCING, SOME CONSENSUS ON THE ALLOCATION OF FINANCIAL RESPONSIBILITY IS REQUIRED. IF THE RE-OCCURRING FINANCING PROBLEM IS NOT SOLVED UNRWA MAY FACE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 USUN N 05893 120627Z

COLLAPSE.

6. FOLLOWING THE STATEMENT OF THE COMMISSIONER GENERAL, UNRWA WORKING GROUP RAPPORTEUR TELLMANN INTRODUCED THE WORKING GROUP REPORT TO THE SPECIAL POLITICAL COMMITTEE. AFTER REEMPHASIZING DISASTROUS SITUATION FACING UNRWA, HE CONCLUDED BY SAYING WORKING GROUP BELIEVED THAT PROVISION OF RELIEF ASSISTANCE, HEALTH SERVICES AND EDUCATIONAL FACILITIES

TO PALESTINE REFUGEES IS COMMON RESPONSIBILITY OF
ALL MEMBERS OF THE UNITED NATIONS.

7. A SOLEMN SILENCE FILLED THE CHAMBER AT THE END OF MR.
TELLMANN'S STATEMENT. SINCE THERE WERE NO SCHEDULED
SPEAKERS THE CHAIRMAN ASKED IF ANYONE CARED TO MAKE A
STATEMENT. THE SAUDI ARABIAN DELEGATE, MR. BAROODY,
ROSE TO THE OCCASION. IN A FORTY-MINUTE DELIVERY HE LAID
THE BLAME FOR THE UNRWA SITUATION AT THE US DOORSTEP, AND
REPEATEDLY SUGGESTED THAT THOSE MAJOR POWERS RESPONSIBLE
FOR PALESTINE SHOULD PAY MONEY FOR THE SOLUTION. BAROODY
ENDED BY SAYING "WE WILL ASK OUR GOVERNMENTS FOR MONEY,
BUT IT WILL BE DIFFICULT AS THE QUESTION HAS BEEN TOO
MUCH POLITICIZED."

8. TEXTS OF THE "STATEMENT BY THE COMMISSIONER GENERAL OF
UNRWA TO SPECIAL POLITICAL COMMITTEE, ON 11 NOVEMBER 1975"
AND THE "STATEMENT BY MR. ERIK TELLMANN, RAPPOREUR OF
THE WORKING GROUP ON THE FINANCING OF UNRWA" REACHED
TO MR. JOHN WASHBURN, IO/ ON NOV 11.
MOYNIHAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REFUGEE RELIEF, FINANCIAL CRISIS, COMMITTEE MEETINGS, POLITICAL SITUATION, FOREIGN POLICY POSITION
Control Number: n/a
Copy: SINGLE
Draft Date: 12 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975USUNN05893
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750393-0204
From: USUN NEW YORK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751152/aaaabuvvm.tel
Line Count: 136
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 08 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 JUL 2003 by ElyME>; APPROVED <10 NOV 2003 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: 30TH UNGA - SPECIAL POLITICAL COMMITTEE MEETING ON UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE
TAGS: PFOR, SREF, XF, UNRWA, UN, (RENNIE)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006